

1. **Necessities Jar.** 55% of your money goes to cover necessities like rent, mortgage, utilities, taxes, food, clothing, etc.
2. **Saving Jar.** 10% of your money goes to help you save for expensive things you can’t currently afford. Instead of going into debt to buy a new car, vacation, home improvements or kids’ education, save the money, then pay cash.
3. **Future Jar.** 10% of your money goes to help you eventually become financially secure. It’s for investments, retirement savings, building a down payment for a revenue property, etc. Remember, you never spend this money, only the returns you earn on it.
4. **Learning Jar.** 10% of your money goes to support your education and personal growth. Basically, you’re investing in yourself. This can include courses, books, webinars, etc.
5. **Pleasure Jar.** 10% of your money goes for luxuries and treats, like dinner out, a weekend getaway, new games, a massage, etc.
6. **Giving Jar.** 5% of your money goes for gifts. These could include birthday and holiday gifts, charitable donations, and acts of random kindness.

Here’s an easy way to think about your finances. Instead of trying to picture all sorts of complicated accounts and budget lines, just imagine you have 6 jars in front of you. By putting all your money into these jars each month—in the correct proportions—you’ll easily achieve financial security!

The 6 jars of money management.